

MEMORANDUM

TO: FILE

FROM: MSB

CC: JFR, SMS

DATE: May 20, 2009

RE: Soders - Call with Robert Gibson on 04/28/09

Joe and I called Mr. Gibson, in response to a voicemail that he had left for Joe.

Mr. Gibson said that he obviously plans to file a notice of appeal, but he called because he wants to resolve it.

Joe asked what he meant.

Mr. Gibson said, "Fine. I will file a notice of appeal."

Joe said wait, he wants to explore this, to make sure he understands. Joe asked what Mr. Gibson was proposing, since the settlement has already been approved, so he was not sure how it could be resolved. Joe asked, "What do you have in mind?"

Mr. Gibson said, "Do you understand what I am getting at, Joe?"

Joe said, "I am trying to understand. What are you proposing?"

Mr. Gibson said that he proposes that we enter into a settlement agreement with his clients. He said that they would be willing to settle their objection for a specific sum and attorney fees.

Joe asked what the amount would be.

Mr. Gibson said that his clients demand a total of \$100K, to be split between them and him, and that GM should pay this because of the savings that it has gained in having to pay less in attorneys' fees.

Joe paused, and then said that he does not remember how many cars Mr. Gibson's clients purchased, but their recovery would only be in the hundreds. He asked how much would go to the client and how much would go to Mr. Gibson.

Mr. Gibson said that it would be divided pursuant to an agreement with his clients.

Joe said that this sounds like a large amount, and that he needs to understand how Mr. Gibson came up with it.

Mr. Gibson said that it is for the benefit conferred to the class by the objection he had filed.

Joe asked what benefit, and how a settlement for just his clients could benefit the class.

Mr. Gibson said that because of his objection, we reduced our fee by \$800K.

Joe said that his objection had nothing to do with the fee reduction, and that he already said this on the record at the hearing.

Mr. Gibson said that he finds this hard to believe, and that the timing is suspect.

Joe said that even for the purpose of discussion, if we were to assume that we reduced our fee in response to his objection, he didn't see how that could benefit the class, since the fee amount is not to come from any money to be given to the class.

Mr. Gibson said there are two reasons. First, it sets a precedent so attorneys do not profit from weak settlements at the detriment of consumers, and second, GM does not have to pay the fee, which also benefits consumers.

Joe asked if Mr. Gibson wants to set up a conference call with GM to talk about this. Mr. Gibson said he does not care, and it can either be through a conference call or Joe can convey the message. Mr. Gibson repeated that GM should pay most if not all of the amount because of the amount it is saving.